Reforms in infrastructure and activities of FCI

†214. DR. MURLI MANOHAR JOSHI:
SHRI RAJ MOHINDER SINGH MAJITHA:

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that Government has assigned the task of suggesting measures for comprehensive reforms in structure and activities of Food Corporation of India to various institutions during the last five years;

(b) if so, the names of the institutions to which Government had assigned such task from January, 1999 to October, 2004 and when;

(c) the time when each institution had submitted its report to Government; and

(d) the action Government had taken with regard to said Corporation on the basis of suggestions made and when?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Yes, Sir.

(b) 1. The Administrative Staff College of India (ASCI), Hyderabad was assigned by the Government to undertake a study of the cost of acquisition and distribution of foodgrains by FCI in 1999.

2. A High Level Committee on long term grain policy chaired by Professor Abhijit Sen was constituted in November, 2000. This Committee also had a few FCI related issues as part of the terms of reference of this Committee.

(c) 1. The Administrative Staff College of India submitted its report in May, 2001.

2. The report of the High Level Committee for long term grain policy was submitted in July, 2002.

(d) To examine the recommendations made by the ASCI, a Task Force chaired by the Additional Secretary and Financial Adviser in the

†Original notice of the question was received in Hindi.

Deptt. of Food & Public Distribution was constituted which had finalized their views on the various recommendations in January, 2002. The Board of Directors of the FCI also examined the report and offered their recommendations in March, 2002. Action has been taken in the light of examination of ASCI recommendations by the Task Force, the views of the board of Directors of the FCI as well as in the light of the recommendations of the High Level Committee. Many of the practical recommendations of the ASCI Report such as preventive measures to reduce storage losses, reduction in establishment cost of FCI, use of information technology in FCI operations etc are in the process of implementation. Similarly, many of the important recommendations of the High Level Committee Report such as encouragement of Decentralised procurement, improving quality of foodgrains and disposal of old stocks, liquidation of excess accumulation of foodgrain stocks etc. have also been effectively acted upon by the Government.

Freedom in trading of foodgrains

215. SHRI RAVULA CHANDRA SEKAR REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether Government propose to remove the grip of the States on trading of foodgrains and give farmers freedom to market their products with provision for a safety net;

(b) if so, the details thereof; and

(c) the action proposed to establish a chain of rural and periurban godowns with warehousing foodgrain banking facilities to help farmers to store and sell through the warehouses?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a)and (b) Government has removed all controls on foodgrains, *viz.* licensing, stock limits and restrictions on inter-State movement by issuing a Notification on 15.2.2002 with an amendment dated 16.6.2003, according to which any dealer can freely buy, stock, sell, transport, distribution, dispose, acquire, use or consume and quantity of wheat, paddy/rice, coarsegrains, sugar, edible oilseeds and oils, pulses,